

### **REMARKS**

This Amendment is submitted in response to the Office Action dated June 10, 2002, having a shortened statutory period set to expire September 10, 2002. Claim 15 is pending. Applicants have amended Claim 15 and canceled Claims 16-17. No new matter has been introduced by these amendments.

### **Election Requirement**

The Examiner in the present Office Action states that pursuant to a telephone conversation with Alan Kamrath on May 29, 2002, a provisional election was made with traverse to prosecute invention Group I, Claims 15-17. Applicant states that Alan Kamrath is not and never has been empowered to act on behalf of the Applicant and is unknown to Applicant. However, Applicant elects to prosecute the claims of invention Group I, Claims 15-17, with traverse to the restriction requirement by the Examiner.

### **Claim Rejections - 35 U.S.C. § 103**

Claims 15 and 16 have been rejected under 35 U.S.C. 103(a) as being unpatentable over *Chang* (US Patent 5,848,400) and further in view of Arnold et al. (US Patent 4,558,176). Claim 17 has been rejected under 35 U.S.C. 103(a) as being unpatentable over *Chang* (US Patent 5,848,400) and further in view of Official Notice.

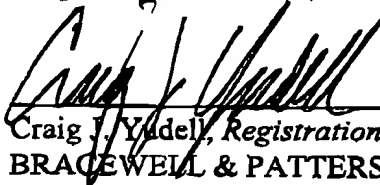
Applicants have amended Claim 15 to incorporate the limitations of the Claims 16-17. It is stated on page 3 of the present Office Action that the limitations of Claim 17 are shown by *Chang* and further in view of the Examiner's "Official Notice." Applicant respectfully traverses the Official Notice taken on page 3 of the present Office Action. Applicant respectfully submits that it is not old and well known to perform the steps in the method of Claim 15, as those terms are recited therein.

While on page 3 of the present Office Action, official notice has been taken that it is old and well known to compare copies of electronic checks in order to process the transaction, Applicants

respectfully submit that such a process has not hereto been taught or suggested using encrypted copies of electronic checks. More specifically, the step of "transmitting said encrypted first copy of said electronic check to a clearinghouse with a payment authorization" is not shown or suggested in the prior art. In the step of "comparing," the clearinghouse compares the two electronic checks, but in accordance with the present invention, the clearinghouse has no way of knowing what is contained within the electronic check because each copy has been encrypted. However, the inventive process allows the clearinghouse to then perform the step of "processing" the check only after it is determined that the encrypted checks match and that a proper "authorization" has been received. Therefore, it is this combination of "transmitting" and "comparing" encrypted electronic checks, in combination with confirming payment authorization, that provides for a secure transaction, in accordance with the present invention. Consequently, Applicant respectfully submits that Claim 15, as amended, is not shown or suggested by *Chang, Arnold et al*, or any combination thereof with the known prior art.

No fee is believed to be required; however, in the event any additional fees are required, please charge any fee associated with an extension of time, as well as any other fee necessary to further the prosecution of this application to IBM Corporation **Deposit Account No. 09-0447**.

Respectfully submitted,



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## REDACTED CLAIMS

Please amend the claims as follows:

15. (Amended) A method of processing an electronic check, comprising:  
 receiving an electronic check encrypted using a one-time pad at a business;  
 transmitting [a] an encrypted first copy of said electronic check to a payor's bank and [a] an encrypted second copy of said electronic check to a payee's bank; [and]  
 decoding said encrypted first copy of said electronic check at said payor's bank using a copy of said one-time pad[.];  
authenticating said electronic check; [and]  
transmitting said encrypted first copy of said electronic check to a clearinghouse with a payment authorization;[.]  
transmitting said encrypted second copy of said electronic check to said clearinghouse;  
comparing said encrypted first copy of said electronic check to said encrypted second copy of said electronic check; and  
responsive to determining that said encrypted first copy of said electronic check matches said encrypted second copy of said electronic check and that the payment authorization has been received, processing a transaction transferring funds from said payor's bank to said payee's bank.
16. (Canceled)
17. (Canceled)
18. (Not elected) A method of securing transmission of a global transponder location, comprising:  
 receiving a request packet via a cellular communications link to said global transponder;  
 encrypting a data packet containing a latitude and a longitude for a location of said global transponder using a one-time pad containing within said global transponder; and

transmitting said encrypted data packet to a central computer over said cellular communications link.

19. (Not elected) The method of claim 18, wherein said step of encrypting a data packet further comprises:

locating an identifier within said request packet;

comparing said identifier to a plurality of identifiers in said global transponder, wherein identifier within said plurality of identifiers is associated with a sheet within said one-time pad;

responsive to determining that said identifier within said request packet does not match any identifier within said plurality of identifiers, terminating said cellular communications link; and

responsive to determining that said identifier within said request packet matches an identifier within said plurality of identifiers, encrypting said data packet using a sheet within said one-time pad associated with said matching identifier.

20. (Not elected) A global transponder, comprising:

a processor connected to a memory containing a one-time pad;

a cellular modem connected to said processor and an antenna;

a GPS chip set connected to said processor and said antenna, said GPS chip set providing GPS fix data to said processor,

wherein said processor, responsive to receiving a call through said cellular modem, encrypts said GPS fix data using said one-time pad for transmission via said cellular modem.

31. (Not elected) A global transponder, comprising:

a processor connected to a memory containing a one-time pad;

a cellular modem connected to said processor and an antenna;

a GPS chip set connected to said processor and said antenna, said GPS chip set providing GPS fix data to said processor,

wherein said processor, responsive to receiving a call through said cellular modem, encrypts said GPS fix data using said one-time pad for transmission via said cellular modem.

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